

## Michigan Professional FIRE FIGHTERS UNION

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Terrence H. Chesney Secretary-Treasurer

Good afternoon, Mr. Chairman and committee members.

My name is Mark Docherty; I am the President of the Michigan Professional Fire Fighters Union and a Sergeant with the Sterling Heights Fire Department.

Thank you for allowing me the opportunity to testify before you today on behalf my organization and the over 5000 firefighters it represents. Our firefighters are serving on the front lines protecting 130 different communities throughout the state of Michigan.

I come before you today to express our opposition to HB 4205.

A few groups and individuals in the state continue to unfairly malign Public Act 312, the binding arbitration law for firefighters and police officers in Michigan.

I am here today to provide our perspective on PA 312 and what effects this bill will have on our communities.

P.A. 312 was adopted into law to provide for an "...alternate, expeditious, effective and binding procedure for the resolution of disputes" involving municipal employers and firefighters, police officers, emergency medical services and emergency dispatch personnel.

P.A.312 has been in place for over 40 years and continues to perform as intended. The intent of this law is to resolve contract disputes fairly

and equitably, and eliminate strikes or work stoppages by public safety providers.

This enables us to remain on the streets and fully focused on the job of keeping our communities safe.

While responding to a building fire or a medical emergency, the last thing firefighters need is to have on their minds is a protracted and unsettled labor dispute with their employer.

One misconception that we continually hear from opponents to PA 312 is that it is frequently used by firefighters and police officers to settle contracts. This is absolutely not true.

In fact the law is seldom used.

In 2010, out of hundreds of counties, cities and townships negotiating agreements in good faith with their police officers and firefighters, only 28 entered into binding arbitration. And of those 28 cases, the employer, not the firefighters or police officers, won more than 60 percent of the time.

Most communities have not utilized PA 312 for decades and some never have. My own department has not been to arbitration in over 23 years.

Recent research on arbitration awards over an 11 year period, 1999-2010, shows that more than 95% of all labor contracts for firefighters and Police officers are settled at the negotiating table.

Most contracts are bargained in good faith never reaching an impasse and never requiring binding arbitration.

The law was never intended to be used frequently. Neither side wants to go to arbitration and have a 3<sup>rd</sup> party decide their issues, although, if the process was not in place there would be no motivation to bargain in good faith and no way to resolve the rare instances of an impasse.

The law encourages employers and fire fighters and police officers to reach mutually agreed upon contracts and not rely on a third party to determine their future.

Another claim that is made by opponents of P.A. 312 is that it does not take into consideration the employer's ability to pay, even though the Act clearly states that ability to pay MUST be evaluated and considered in each arbitration award.

Section 9, subsection (c) of the Act clearly states that the "...arbitration panel shall base its findings, opinions and order upon the following factors, as applicable... (c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs."

The language regarding ability to pay has been in the law since its inception and stipulates that the arbitrator must consider the economic impact of any award.

Thorough analysis by experts, such as a municipality's independent auditing firm, is used in determining the employers' finances before the beginning of the arbitration hearings.

Arbitrators thoroughly examine the municipality's finances, using information provided to them by both parties, and make their final decision based on the economic status of the municipality.

We understand the economic reality that our communities are facing and we understand that concessions need to be made. In fact, fire fighters and police officers, all across the state have given concessions, many of which were while under an existing contract.

Unlike other professions, when we lose personnel to layoffs, we now have to perform the same hazardous job with fewer personnel. This greatly increases the risk we face and the chances of us getting injured or killed on the job. No firefighter should have to run into a burning building alone.

Many public safety unions all across the state, when faced with layoffs, have stepped up and provided the much needed savings to keep our members on the job. For example, in 2010, Ann Arbor firefighters agreed to concessions that allowed 13 firefighters slated for layoff, to remain on the job and Holland firefighters in 2009, provided concessions to also protect their staffing levels and prevent layoffs. These are just two examples of hundreds that we could cite that have occurred all across the state.

The elimination of PA 312 would set the state back decades. It was put in place after a series of strikes by police officers and fire fighters in the late 60's. PA 312 was carefully studied, tested and analyzed before Governor George Romney signed it into law. It has succeeded in it's intend resulting no strikes or work stoppages occurring through the 42 years the law has been in place.

As with any law that has been in place for decades, a review may be justified. We are willing to consider and have suggested potential reforms to the law in the past and have also worked to address the

concerns local municipalities have had concerning consolidation into authorities.

For example, last session our organization sat down at the table to come up with reforms regarding PA 312, Urban Cooperation Act and the Intergovernmental Transfers Act, resulting in SB 1072, SB 1085, and SB 1086 which addressed the concerns raised by the Michigan Municipal League. This may be the time to reconsider those reforms.

We are willing to sit at the table and have honest debate as to where we can make the law more efficient.

This law was put in place in 1969 as a public safety issue and remains to this day as a public safety issue.

We ask you today to NOT pass HB 4205 as the law is working as intended and needs to remain in place for the safety of our firefighters and police officers and the citizens that depend on us.

We would rather see this bill moved into a workgroup to facilitate further discussion as to honest and fair reforms to the law as was attempted last session with Senate Republicans.

I want to thank the Chairman and the committee members for this opportunity to address the committee today.

And I would be happy to answer any questions that you may have.